

**BOARD OF GAME AND INLAND FISHERIES MEETING MINUTES
4000 WEST BROAD STREET
RICHMOND, VIRGINIA**

APRIL 25, 2006, 9:00 a.m.

PRESENT: Sherry Smith Crumley, Chairman, C. Marshall Davison, William T. Greer, Jr., John W. Montgomery, Jr., Richard E. Railey, Jr. (left at 1:00 p.m.), Ward Burton, C. T. Hill, Charles S. Yates, Thomas A. Stroup, James W. Hazel; **ABSENT:** Randy Kozuch (schedule conflict); **LEGAL COUNSEL:** Roger Chaffe; **INTERIM DIRECTOR:** Colonel W. Gerald Massengill; **SENIOR STAFF:** Colonel Mike Bise, Ray Davis

Chairman Crumley called the meeting to order at 9:05 a.m. Mr. Davison read the Agency's mission statement into the record, and the Pledge of Allegiance to the Flag was lead by Colonel Mike Bise and the Game Wardens of the Year. A quorum was present.

Chairman Crumley announced that speakers were being requested to limit remarks to three minutes. Individuals representing organizations were requested to limit remarks to five minutes.

1. Public Comments, Non-Agenda Items: An opportunity was provided for the public to present comments to the Board on non-agenda items.

Keith Wilk, Bergton, Virginia expressed concerns for the deer population in the western mountains of Rockingham County. He and a group of landowners and hunters have polled landowners and the hunting public in the area and they feel that evidence supports a declining deer population in the County on both public and private lands. He also expressed a concern for the lack of quality habitat for deer and all wildlife species on National Forest lands and asked the Department to work extensively with constituents to provide National Forest planners with biological, sociological and economical information to benefit wildlife.

Dean Miller, Colonial Heights, Virginia presented information to the Board on a database known as the Wildlife Violator Compact that is shared by participating states that readily identifies individuals that have lost hunting privileges because of violations from regaining those privileges by hunting in another state. Twenty states are currently compact members, and others are evaluating it. He suggested that this program could benefit Virginia.

2. Recognition of Employees and Others: Fred Leckie, Assistant Fisheries Division Director, introduced Dr. Gary Saul from the Texas Parks and Wildlife Department. Dr. Saul is President of the Fisheries Administrators Section of the American Fisheries Society, and he presented the 2005 Sport Fish Restoration Outstanding Project Award in

the area of sport fish development and management to the Department and its staff for the Laurel Bed Lake Restoration Project. Tom Hampton, Bill Kittrell and their staffs were recognized for their outstanding work on bringing this Lake back from a deteriorated to a multi-species thriving fishery. A plaque was presented to the Department for the work.

Tom Hampton thanked the Association, Department staff and the partners for their assistance with the project.

Colonel Mike Bise was recognized. Colonel Bise introduced the 2006 Game Wardens of the Year. Rich Goszka is the Game Warden of the Year representing Region I. The Region II Game Warden of the Year is Brian Young. Rolland J. Cox, Jr. is the Game Warden of the Year for Region III, and Elmo Herndon is the Game Warden of the Year for Region IV. Representing Region V, John Cobb, assigned to Caroline County, is the Department's Game Warden of the Year. These individuals were recognized for their outstanding enforcement work and their many contributions to their communities.

Fred Leckie introduced Steve Reeser, representing the Virginia Chapter of the American Fisheries Society. Mr. Reeser presented the Chapter's 2006 Eugene W. Server Professional Fisheries Biologist Award to John W. Kauffman, recognizing him for his outstanding work in fisheries, in instream flow, the Virginia Trout Stream Sensitivity Study, the American shad restoration project, and numerous other projects and programs.

Mr. Kauffman thanked all for the opportunity to accept the award at the Board meeting.

3. Trout Unlimited: Fred Leckie introduced John Ross, President of the Virginia Chapter of Trout Unlimited and he also introduced Larry Mohn, the Region IV Fisheries manager and leader in Virginia's trout program. In a program known as the Eastern Brook Trout Joint Venture, staff is working with Trout Unlimited to restore trout in waters where they once existed.

Mr. Ross thanked the Department for working with Trout Unlimited on projects of mutual interest and recognized the agency for its work with the Brook trout. Mr. Ross commended Larry Mohn for his excellence, and shared information on a brook trout initiative. He also commended the Department staff (Lee Walker, Emily Pels and Carol Kushlak) for the April insert in the *Virginia Wildlife* magazine.

The video entitled "Battle for the Brookie, Acid Rain in the Appalachians" was shown. This video was produced by Dominion, and Dan Genest was recognized for his assistance with the project. Trout Unlimited and the Department assisted also. Other supporters included the Department of Education and a Virginia Environmental Endowment grant, and it is part of an environmental campaign aimed at middle school youth. The Partners for Coldwater Conservation in Virginia is a major initiative. He thanked the Department

for all that has been accomplished and stated that it is now time to identify and undertake new projects.

4. Minutes of the March 21, 2006 Meeting. The March 21, 2006 meeting minutes have been posted on the Department's Web and copies were included in the meeting briefing materials. Chairman Crumley called for any additions or corrections to the minutes. As there were none, **Mr. Hill moved, seconded by Dr. Greer, passed unanimously in a show of hands vote, to approve the minutes as written. Ayes: Hill, Greer, Davison, Montgomery, Railey, Burton, Crumley, Yates, Stroup and Hazel.**

After a 10:15 a.m. break, the meeting reconvened at 10:25 p.m.

5. Committee Reports: Ms. Crumley reported that the **Education, Planning and Outreach Committee** is working to schedule a meeting on May 24, 2006. Once a time has been determined, the meeting will be noticed as required.

As Chairman of the **Finance, Audit and Compliance Committee**, Mr. Hill reported that the Committee met on April 10 and minutes of that meeting have been posted on the Web and copies were included in the meeting briefing materials. All Committee members participated in the April 10 meeting.

Mr. Hill reported that the function of the small purchase credit card committee (SPCC) has been added to those of the Finance, Audit and Compliance Committee. Members of the SPCC are Ray Davis, John Moore and Ed Walsh. The Chairman of the Finance, Audit and Compliance Committee will participate in some of the SPCC meetings.

John Moore is the Department's Chief Compliance Review Officer.

As required by the Finance, Audit and Compliance Committee's Charter, Tom Stroup was designated the Committee's financial expert.

Ray Davis and Virgil Kopf had presented an overview of the agency's financial status to the Committee, and after an extensive discussion on that topic, the Committee felt strongly that the Department must insure that all possible efficiencies must be practiced by the Department, but after hearing the staff presentation on the long-term financial projections for the agency, it was felt that a \$5.00 across the board license fee increase (excepting all youth licenses) should be recommended to the full Board for consideration.

Staff was requested to brief the Board on the presentation that was previously heard by the Committee. Ray Davis reported that in the early 1990's when the Department was working on the HB 38 initiative, staff projected that even with the additional revenue that legislation would provide, the Department would face another revenue shortfall by 2010. He noted that as a special funded agency, the Department must absorb all inflationary

costs for personnel benefits, raises for employees and increased central services charges. In two of the last four years, the Department has had to use its cash reserves for operating expenses.

Additionally, the Department has acquired two new wildlife management areas last year (Featherfin and Cavalier). The Featherfin Wildlife Management Area was purchased through an interest free treasury loan that will be repaid over the next four years (\$1.5 million per year). Cavalier was purchased with grants, federal funds and some agency monies. Both of these properties will provide additional opportunities for sportsmen and wildlife enthusiasts.

Some of the major costs facing the Department in the next few years include the federal mandated dam safety act that requires state dams to meet safety requirements by 2010. The Department owns 34 of the dams of concern in Virginia. It is estimated that it will cost \$17 million to repair the agency's dams.

If not renovated, the Coursey Springs Fish Hatchery may be closed by the Department of Environmental Quality. Staff estimates that renovation will cost approximately \$8.2 to \$10 million. This hatchery is critical to the Department's fisheries programs. Additionally, as identified by the Auditor of Public Accounts, the headquarters buildings in Richmond have major infrastructure needs estimated to cost approximately \$2.5 million. Work will have to be performed to bring these buildings up to code requirements.

The Department has an opportunity, in cooperation with Virginia Commonwealth University, to construct a regional office on VCU owned property. If this space is provided, the Region I office would relocate from leased space to owned facilities. Initially, \$900,000 is needed for this project. The additional \$1.6 million will be repaid to VCU over a 15 to 20 year period and the amount is backed by VCU bonds.

The Department will also have to pay increased central services charges, fees charged by the Department of General Services for their requirements for property acquisition, surcharges added by the Virginia Information Technology Agency (VITA) for all equipment purchased, and the salaries for VITA staff that works out of DGIF offices.

Mr. Davis emphasized that the Department will evaluate how it conducts business and efficiencies will be implemented to streamline activities by using technology. Staffing levels will be analyzed and some job realignments may occur. Hiring will be held to a minimum, and the Department will look at services provided to other agencies to see if it can recover the costs associated with the services provided. All equipment and vehicle purchases will be carefully assessed and communication equipment will be re-evaluated to insure efficiencies. Travel will be minimized, and to recover some of the associated printing costs for educational/informational materials, the Department will evaluate the

use of advertising. The agency will move forward with its comprehensive strategic planning effort.

Virgil Kopf presented an overview of the agency's revenue trends in recent years. He reported that 6% of the Department's revenue is derived from the watercraft sales and use tax, 21% from HB 38, 36% from license fees, 7% from boat registration, 7% from miscellaneous sources and 23% in federal funds (Pittman-Robertson, Wallop-Breaux and state wildlife grants). To receive all of the allocated federal funds, the Department must have funds to spend to capture the matching reimbursement.

Twenty-seven percent of the agency's revenues are derived from transfers and these transfers are subject to change by the General Assembly, i.e., the recent reduction experienced in the watercraft sales and use tax.

Sixty-one percent of the Department's revenue is used for personnel costs, 29% for goods and services, and 10% for equipment, capital expenditures, central services charges and debt repayment. Staff noted that the Department cannot spend beyond its appropriation, but spending ability is also contingent upon available cash.

Using an analysis of revenues and expenditures over the last five years, and using the maximum cash assumptions, with no new positions and programs, staff projected a revenue deficit between 2007 and 2010. The Board asked and was told that other state fish and wildlife agencies are facing similar revenue shortfalls, and some are receiving general funds to cover some activities such as law enforcement. The model used did not address the needed capital expenses. Staff noted that personnel costs increase approximately 9% annually because of increased salaries and benefits costs.

The Board discussed the projected revenue shortfall at length, and felt strongly that additional funds are needed to maintain the financial integrity of the Department, and the only avenue available to the Board to address the need is its authority to increase license fees, and to charge fees for the use of its facilities and for hunter education courses. License fees cannot be increased more than once every three years and by no more than \$5.00 per privilege. The agency has not had a license fee increase since 1988 when the General Assembly raised the fee from \$7.50 to \$12.00. At that time, the Department had 197 sworn positions. In 2006, the Department only has 199 sworn positions.

In 1988, the Department had 380 employees and it now has 487 but the increased employment level is attributed, in part, to the added Wildlife Diversity Division, the additional staff needed for technology maintenance, and FOIA and regulatory needs. Because of state procurement requirements, the Department has added a purchasing section.

License sales continue to decline, and the Board asked staff if it could define where the decreases are occurring. Staff indicated that this information can be made available once the license delivery system is completely automated. The Board requested this information once it can be made available. The Board also feels that it needs to seek the legislative authority to exempt all non-resident license fees from the \$5.00 increment limitation.

The Board also felt that all users should contribute to the costs of the agency. Our wildlife management areas are used by wildlife and nature enthusiasts, birders, and non-motorized boaters, but their only mechanism for contributing to their maintenance is through the portion of the tax derived from the sale of outdoors related recreational equipment (HB 38). Ms. Crumley noted that Virginia is the first state to have a statewide birding and wildlife trail, and three informational brochures have been provided free of charge by the Department to those interested in this opportunity.

The Board discussed factors that contributed to the projected revenue shortfall, which included the Department not receiving the full revenues generated from the watercraft sales and use tax (\$8 million), the Coursey Springs renovations, printing costs and the magazine production costs.

Colonel Massengill indicated that Charlie Sledd has been requested to conduct a thorough investigation of all agency fees and the magazine production costs, and a report on the findings will be provided to the Board

Mr. Hill reported that the Finance, Audit and Compliance Committee debated the options extensively, and felt that it would not be prudent for the Board to delay a license fee increase. The Committee also requested a thorough assessment of the Agency's expenses and jointly exploring potential revenue opportunities through the General Assembly.

Dr. Greer requested the minutes to reflect that the Board does not want hunting and fishing to become a sport for only the rich. The Board recognizes that a \$5.00 increase may be significant for some, but it also felt that the action is critical to the future of the agency. He also asked and was told that currently, the Board only has the authority to increase non-resident license fees by \$5.00. Ms. Crumley indicated that she has begun a dialogue with some members of the legislature regarding this issue.

Mr. Yates, referencing the minutes of the Finance, Audit and Compliance Committee meeting, encouraged the Board to closely assess the agency's constituency and its mission.

Options heard were: (1) be proactive to maximize revenue that can be provided by the watercraft sales and use tax and HB 38, (2) hold a tight reign on capital expenses, but the agency cannot stand still, (3) while more people are being served, there are fewer places

to hunt and fish (need to continue to provide opportunities to retain participants), (4) implement efficiencies, and (5) explore other sources of revenue. All programs need to be revenue neutral, i.e., the magazine and hunter education programs. Staff did note that some buyer resistance will occur with a license fee increase.

The Board was advised that a license fee increase will have to be enacted through the regulatory process. Staff presented three options for consideration: Propose a regulatory action at this meeting and take final action at the June 20 meeting with an effective date of July 1 or when printed in the Register on July 10; propose a regulatory action at this meeting and take final action at the August 22 meeting with an effective date of October 1, 2006, or propose a regulatory action at the June 20 meeting, with final action at the August 22 meeting, with an effective date of October 1, 2006. Staff recommended proposing the regulatory action at this meeting and taking final action at the June 20 meeting, with an effective date of July 1, 2006.

Mr. Hill moved, seconded by Mr. Railey, and after public comment was heard, passed unanimously in a show of hands vote after Mr. Davison withdrew a proposed amendment to require streamlining of all agency activities for efficiency and exploring alternative revenue sources, to propose for statewide advertisement a regulation amendment to increase all hunting, trapping and fishing license fees by persons aged 16 and over by an amount of \$5.00 each, excepting all youth licenses, with final action to be taken at the June 20, 2006 meeting, with an effective date of July 1, 2006. Ayes: Hill, Railey, Davison, Montgomery, Greer, Burton, Crumley, Yates, Stroup and Hazel

Pete Lewis, Moneta, Virginia spoke in support of the proposed fee increase.

Bruce Dungan, Union Hall, Virginia, representing the Smith Mountain Lake Association, spoke in support of the Department receiving all funds that have been allocated to it by the legislature, specifically the watercraft sales and use tax. Mr. Dungan also supported the proposed license fee increase.

Dennis Campbell, Waynesboro, Virginia, representing Quality Deer Management, supported the proposed license fee increase. He also stated that he is an advocate for a \$3.00 conservation stamp with the proceeds being dedicated to land acquisitions.

Keith Toler, Mechanicsville, Virginia, State Council Chair of Quail Unlimited supported a proposed license fee increase, and he also felt that wildlife enthusiasts should contribute to agency programs. He suggested charging for the hunter education program by having constituencies such as Quail Unlimited and Ducks Unlimited underwrite their costs. He felt that Virginia's non-resident fees are not comparable with the fees that Virginians have to pay when they hunt in other states.

Dean Miller, Colonial Heights, Virginia spoke in support of the agency's programs and staff and felt that the proposed license fee increase is needed to retain quality people.

John Ross, Upperville, Virginia representing Trout Unlimited supported the need for increased revenue and spoke in support of the proposed license fee increase. He suggested that an agency name change may be appropriate to appeal to a broader constituency, i.e., Division of Wildlife Resources, etc.

Dennis Campbell, Waynesboro, Virginia referenced a study conducted in Harrisonburg indicating that hunters purchasing licenses have decreased to the age of 46 and it is declining. He stated that more efforts are needed to get youth involved.

For the record, Chairman Crumley read the following letter from retired game warden **Bobby J. Bondurant, Amherst, Virginia**, that enclosed a petition with 76 names that opposed a license fee increase.

“Dear Ms. Crumley: I have been aware of a proposal to increased fees across the board for hunting and fishing license. I do not feel that the commission should be increasing any fees until all of the recent problems have been resolved and reported to the hunters and fishermen of this Commonwealth. Talking with a number of hunters and fishermen, there is total agreement on this issue. With the continued loss of hunters and fishermen, raising fees would only cause a greater loss. This would also have an impact on children being introduced to hunting and fishing. Parents would think twice about paying the increase.

Enclosed you will find signatures of hunters and fishermen who oppose these increases of fees. I hope you will be sensitive to the wishes of the sportsmen and women of the Commonwealth. Sincerely, Bobby J. Bondurant, Game Warden Retired”

Mr. Hazel requested the Chairman and staff to notify members of the General Assembly of the Board's action. Mr. Montgomery requested that the staff presentation be placed on the Agency's Web.

Mr. Hill reported that a review of small purchase credit card activity revealed one transaction that requires further investigation for non-compliance. He indicated that expenditures for the Director's Office were appropriate.

Ray Davis presented a brief financial report and stated that staff is continuing to work to revise its financial reports format.

As required by the Finance, Audit and Compliance Committee's Charter to stagger terms for Committee members, Ms. Crumley announced that Mr. Hill and Mr. Stroup will serve

three-year terms on this committee. Mr. Davison will serve a two-year term and Ms. Crumley's term will be one year.

Search Committee: Mr. Montgomery indicated that he and Dr. Greer will meet to revise a recruitment plan for an agency director. That plan will be presented by Dr. Greer at the June 20 Board meeting.

Wildlife and Boat Committee: Mr. Hazel reported that a Wildlife and Boat Committee meeting will be planned for the future.

6. Wildlife Regulation Proposal: Rick Busch presented a regulation proposal to **amend 4 VAC 15-90-80, section C** to (i) reinstate the early muzzleloading season either-sex deer hunting day on private lands in Grayson County, and (ii) to make the early muzzleloading season in Grayson Highlands State Park and national forest lands in Grayson County bucks only.

This proposal was approved by the Board at its October 27, 2005 meeting as a final action, but was reintroduced due to inaccurate technical language in the proposal.

Mr. Davison moved, seconded by Mr. Hazel, passed unanimously in a show of hands vote, to propose an amendment to 4 VAC 15-90-80 for statewide advertisement to reinstate the early muzzleloading season either-sex deer hunting day on private lands in Grayson County and to make the season bucks only on the Grayson Highlands State Park and national forest lands in Grayson County. Ayes: Davison, Montgomery, Greer, Railey, Burton, Crumley, Hill, Yates, Stroup and Hazel

Chairman Crumley provided an opportunity for the public to comment on the proposed regulation and there was none.

7. Chairman's Remarks: Ms. Crumley noted for the record that the license fee increase proposal was difficult for all members of the Board, but it was felt necessary due to expenses that were beyond control including health benefits, salary increases, hatchery and headquarters infrastructure needs, and the lands acquired for constituents and wildlife enthusiasts. The Board partners with others whenever possible to provide projects and facilities for users, i.e., VDOT, VMRC and local governments. She noted that some feel that they do not get their money's worth, and added that purchasing a license does not guarantee that one will get the daily and/or creel limit each time one goes out. She felt that the Board needs to find a way to have all who enjoy wildlife to contribute to what the agency does.

8. Director's Report: Colonel Massengill reported that studies show that the zebra mussels in the Millbrook Quarry in Prince William County have been eradicated.

Colonel Massengill reported that the Department, in partnership with Norfolk Botanical Garden and WVEC HamptonRoadsTV has established a web-based Eagle Nest Observation project. The EagleCam is expected to be launched soon and visitors to the site will be able to observe the Garden's nesting pair of bald eagles.

Colonel Massengill indicated that the Department plans an outreach effort to keep constituents informed about the proposed license fee increase. He also indicated that the Department needs to begin to look for alternative funding sources (a conservation stamp) for wildlife enthusiasts and seeking general funds for specific functions of the Department (our law enforcement efforts since they are a public safety function).

He commended wildlife enthusiasts for their willingness to contribute to the agency and their support of our Wildlife Diversity Division.

9. Closed Session: In open session at 12:55 p.m., **Dr. Greer moved, seconded by Mr. Davison, passed unanimously in a show of hands vote that the Board go into a closed meeting pursuant to § 2.2-3711.A.1 of the Code of Virginia for discussion or consideration of employment, assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of the Department of Game and Inland Fisheries specifically regarding the performance of the interim director. Ayes: Greer, Yates, Davison, Montgomery, Railey, Burton, Crumley, Hill, Stroup and Hazel**

In open session at 1:50 p.m., **Dr. Greer certified, seconded by Mr. Davison, passed unanimously in a show of hands vote that whereas the Board of Game and Inland Fisheries had convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act, and whereas § 2.2-3712.D of the Code requires a certification by this Board that such closed meeting was conducted in conformity with Virginia law; now, therefore, be it resolved that the Board of Game and Inland Fisheries hereby certified that (i) to the best of each member's knowledge, only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed on considered by the Board. Ayes: Greer, Yates, Davison, Montgomery, Burton, Crumley, Hill, Stroup and Hazel**

Upon legal counsel advice to have the Board vote on the specific language for the proposed regulation amendment to increase license fees, Charlie Sledd presented **4 VAC 15-20-65** that adds an amendment to increase all hunting, trapping, and fishing license and permit fees for persons age sixteen and older by \$5.00 each, effective July 1, 2006.

Mr. Hill moved, seconded by Mr. Burton, passed unanimously in a show of hands vote that the Board propose the recommended regulation amendment to 4 VAC 15-20-65 to increase all hunting, trapping, and fishing license and permit fees for persons age 16 and older \$5.00 each, and that the Board consider the proposal for final adoption June 20, 2006, with any final amendment to become effective July 1, 2006. Ayes: Greer, Yates, Davison, Montgomery, Burton, Crumley, Hill, Stroup and Hazel

The next meeting of the Board is June 20, 2006, beginning at 9:00 a.m.

Adjournment: As there was no further business, the meeting was adjourned by the Chairman at 1:55 p.m.

Respectfully submitted,

Belle Harding
Board Secretary